

State and Federal Legislative Activity

MPO meeting
June 16



State Legislative Activity



State Legislative Activity

- Iowa DOT Omnibus Bill
 - Passed on June 5 awaiting Governor signature
 - “Non-controversial”
 - Update Iowa Code chapters 307 and 307A
 - Remove or update a few outdated aviation and rail sections
 - Update some driver license issues
 - IRP late fees and undercover license plates
 - Commercial Learner’s Permit



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State Legislative Activity

- Revenue Package
 - 10 cents per gallon plus few fees
 - Estimated total revenue of \$213 million per year
 - 47.5% to DOT; 32.5% to Counties; 20% to Cities
 - Passed on February 24
 - Signed on February 25
 - Effective on March 1
 - \$33 million in projects were added to the Department’s FY 2015 program on March 10



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State Legislative Activity

- 2016 - 2020 Improvement Program
 - Adopted June 9
 - An additional \$501 million in DOT highway improvements were programmed
 - Projects included in program as a result of the additional revenue are identified in the back of program
 - “Under a microscope”



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Federal Legislative Activity



Federal Legislative Activity

The Process is:

- Interesting to some ...
 - Frustrating to others ...
 - A Mystery to many ...
 - Ignored by most ... and
 - Dominated by funding issues



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Federal Legislative Activity

- Surface Transportation Program Authorization
 - 2nd Extension of MAP-21 expires July 31, 2015
 - Without extension cannot access HTF
 - Need to ensure that adequate funding is in the trust fund
 - Need \$3 billion to get to end of FY 2015
 - Estimated to need \$8 billion to get to the end of calendar 2015
 - Estimated from \$85 - \$90 billion for 6-year bill



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Federal Legislative Activity

- Need Stable Federal Funding
 - More than a decade of investing more than available receipts into the trust fund
 - Estimates vary but \$16 billion+/- per year is necessary for current investment levels
 - Support for transportation investments but not enough support to find revenues to pay for it



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Federal Legislative Activity

- Federal Funding Options have been identified (for many years) but no action taken
 - Increase in current fuel taxes
 - With or without indexing fuel rates
 - Mileage based user fee
 - Revenues from Corporate tax reform
 - Including options dealing with overseas profits
 - 5% tax on certain imports
 - Tax on crude oil exports



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Federal Legislative Activity

- Many hearings have been held by all of the relevant Congressional Committees to discuss future federal transportation programs
 - Policy Committees
 - House Transportation and Infrastructure
 - Senate Environment and Public Works
 - Senate Banking
 - Senate Commerce, Science and Transportation
 - Revenue Committees
 - House Ways and Means
 - Senate Finance



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Federal Legislative Activity

- Congressional hearings are scheduled:
 - House Ways and Means (June 17)
 - Senate Finance (June 18)
 - Senate EPW markup of highway bill (June 24)
- Ways and Means hearing is “to explore new ideas to close the shortfall once and for all.”



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Federal Legislative Activity

- There is no evidence that Congress is willing to face this issue.
- It has been 15 years since there has been enough revenue to meet outlays
- 7 years of backfilling the HTF with general fund revenues
- Some talk about finding additional revenues for the federal-aid highway program
- Some are looking to reduce the federal role in transportation programs



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Federal Legislative Activity

- GROW AMERICA
 - Administration's Reauthorization Proposal
 - 6-year bill; \$478 billion
 - New and expanded programs
 - Increase funding from Corporate Tax Reform



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Federal Legislative Activity

- Transportation Empowerment Act (TEA)
 - Reduce gasoline from 18.4 cents to 3.7 cents
 - Reduce diesel from 24.4 cents to 5.0 cents
- Eliminate the Mass Transit Account
- Focus on interstate highways
- Limiting the federal role - transfer most responsibility to the States
- Eliminate restrictive and costly red tape



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Federal Legislative Activity

- However, Transportation is still very popular with members of Congress
 - Congressman Shuster, Senator Inhofe, Senator Boxer, Congressman DeFazio, Congressman Mica
- Congressman Ryan
 - Year end business tax overhaul combined with a multiyear highway bill
- Senator Hatch
 - Timetable for business tax package into next year and possibly 2017



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Federal Legislative Activity

- FY 2016 Appropriations Status
 - House passed bill June 9
 - Best hope is for level funding
 - Can't pass increase in user fees
 - Will be difficult to get some GF transfers
 - Expect to continue funding with a series of Continuing Resolutions



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Federal Legislative Activity

U.S. Department of Transportation Appropriations					
	2012	2013	2014	2015	2016 House
	(\$millions)				
Highway					
Fed aid Obligation Auth.	39,144	39,620	40,256	40,256	40,256
FHWA exempt	739	700	739	739	739
Highway Traffic Safety	550	553	562	562	562
Motor Carrier Safety	307	309	313	313	313
Transit					
Formula and Bus	8,361	8,461	8,595	8,595	8,595
Capital Investment	1,955	1,855	1,943	2,161	1,943
Aviation					
AIP	3,350	3,090	3,350	3,350	3,350
Essential Air Service	193	233	241	261	263
Amtrak	1,418	1,344	1,390	1,390	1,147
TIGER	500	474	600	500	100



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Federal Legislative Activity

- Outlook
 - No Authorization or Funding proposal has been introduced by House or Senate leadership
 - Short term measures - Continue to “Kick the Can Down the Road” – to the end of the calendar year?
 - Can Congress find enough revenue to authorize a larger program in 2016?
 - But the Election is only 512 days away !

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Federal Legislative Activity

Questions ??



Our Future

We are living off the vision of our parents and grandparents !!

What are we going to leave to our children and grandchildren ??

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